

other relevant factors relating to the association's performance in meeting the convenience and needs of the community. Based on an assessment of the applicant's record under part 563e of this chapter, the applicant's business plan and other relevant factors, the Office may approve the application, deny the application, or approve the application on the condition that the applicant improve certain aspects of its CRA performance record or address particular credit or lending needs of the communities that it serves.

[59 FR 61262, Nov. 30, 1994]

### Subpart B [Reserved]

### Subpart C—Voluntary Supervisory Stock Conversions

#### § 563b.20 Scope of subpart.

(a) Except as the Office may otherwise determine, the provisions of this subpart shall govern the voluntary supervisory conversion from the mutual to stock form of savings associations as authorized, ordered or concurred in by the Office or the FDIC pursuant to sections 5(i) (1) and (2), 5(o)(2)(C), and 5(p) of the Home Owners' Loan Act, 12 U.S.C. 1464(i) (1), (2), (o)(2)(C), and (p).

(b) All of the provisions of Subpart A of this part shall apply to a supervisory conversion undertaken pursuant to this subpart unless clearly inapplicable.

#### § 563b.21 Voluntary supervisory conversions.

(a) A voluntary supervisory conversion of a savings association pursuant to this subpart may involve the sale of a converting association's shares directly to an acquiror(s), which may be a person, company, depository institution, or depository institution holding company. The conversion may result in the converting association being merged into or consolidated with an existing or newly created depository institution, but only as authorized by and in accordance with any limitations or restrictions imposed by applicable laws and regulations.

(b) A majority of the directors of the converting association must adopt a plan of voluntary supervisory conver-

sion that complies with the provisions of this subpart. The members of the association have no rights of approval or participation in the voluntary supervisory conversion, or to the continuance of any legal or beneficial ownership interests in the converted association, unless otherwise provided by the OTS. The members shall have interests in a liquidation account, if one is established, pursuant to § 563b.28 of this subpart.

[57 FR 49380, Nov. 2, 1992]

#### § 563b.22 Purpose of subpart.

The purpose of this subpart is to give guidance to savings associations and potential acquirors of the stock of converting savings associations regarding the qualification of savings associations for a supervisory conversion under this subpart, and guidance as to the extent to which the Office will permit, by means of a supervisory conversion, deviations from the substantive and procedural requirements adopted by the Office for standard conversions under subpart A of this part.

#### § 563b.23 Authorization of supervisory conversions.

(a) The OTS may authorize or order a voluntary supervisory conversion if a savings association files an application containing the information and documents specified in § 563b.27 of this subpart, in accordance with the procedures specified in § 563b.29 of this subpart, and meets the qualification standards specified in § 563b.24 of this subpart. If the OTS authorizes or orders a supervisory stock conversion, the conditions specified in § 563b.30 of this subpart must be fulfilled and the resulting institution and the purchaser(s) of its conversion stock must comply with the requirements of § 563b.31 of this subpart.

(b) In connection with approval of an association's conversion, the OTS may impose conditions and restrictions on the converting or resulting institution, the acquiror, and controlling parties, directors and officers of either, to prevent unsafe or unsound practices, to protect the deposit insurance funds and the public interest, and to prevent potential injury or detriment to the converting or resulting association. The